

## **November 8, 2021 Work Session**

The City Council of the City of Idaho Falls met in Council Work Session, Monday, November 8, 2021, in the Council Chambers in the City Annex Building located at 680 Park Avenue in Idaho Falls, Idaho at 3:00 p.m.

### **Call to Order and Roll Call:**

There were present:

Mayor Rebecca L. Noah Casper  
Councilor John Radford  
Councilor Thomas Hally  
Councilor Jim Freeman  
Councilor Jim Francis  
Councilor Lisa Burtenshaw

Absent:

Council President Michelle Ziel-Dingman

Also Present:

Sean Coletti, City of Ammon Mayor  
Michael Kirkham, Assistant City Attorney  
Brad Cramer, Community Development Services Director  
Chris Fredericksen, Public Works Director  
Kent Fugal, City Engineer  
Dana Briggs, Economic Development Coordinator  
Colin McAweeney, TischlerBise  
Chris Canfield, Assistant Public Works Director  
Rory Villanueva, Architects Design Group  
Pamela Alexander, Municipal Services Director  
Randy Fife, City Attorney  
Kathy Hampton, City Clerk

Mayor Casper called the meeting to order at 3:00 p.m. with the following items:

### **Discussion and Review of Eastern Idaho Regional Wastewater Authority (EIRWWA) Taxing District Map:**

Mayor Casper stated discussion for this item occurred at the October 25 Council Work Session. She also stated Mayor Coletti is one (1) of four (4) board members for the current EIRWWA that has been created by a Joint Powers Agreement (JPA). Mayor Coletti clarified this is not a taxing district, this is a fee district which is meant to collect sewer fees from entities or individuals within the district. He explained several years ago there was a decision between Ammon and Idaho Falls that Ammon would stop sending its sewer into Idaho Falls and would route the sewer to Shelley instead. He also explained Shelley had a septic field that was in violation of the Environmental Protection Agency (EPA), and Ammon wanted to create its own plant. A bond vote was needed for the Ammon residents to construct a plant in this field, which passed overwhelmingly. Mayor Coletti stated when he was elected to the Ammon Council the plant was almost finished which was established as a JPA. The initial JPA was a 5-entity agreement with Ammon, Shelley, Bonneville County, Bingham County, and the Iona Bonneville Sewer District (IBSD), however, IBSD decided not to join the JPA at the last minute. Mayor Coletti believes the JPA was put together based on politics, and each entity would have one (1) vote. He also believes this has been difficult as Ammon has 70% of flow and Shelley has 25-26% of flow with only one (1) vote each as compared to Bingham County which has seven (7) connections. He believes the balance of power is not correct, hence this is one of the reasons to create a sewer

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district. The sewer district would create a 5-member board and will be determined based largely on parcel size. This would give Ammon three (3) votes, Shelley would have two (2) votes. This would represent those cities as well as the county within those districts. Mayor Coletti believes this is more fair. He noted all entities agree at this point. He stated the plant was primarily formed by the two (2) bonds from Ammon and Shelley, noting the counties cannot bond for sewer. He realizes the Shelley plant needs to expand, stating any potential bond would be on the backs of Ammon and Shelley. He indicated a bonding authority is needed to cover all users fairly, which would be the sewer district. Mayor Coletti stated a JPA between four (4) entities who have their own interest can be hard to manage. He believes it would be easier for the board to get together if the entity that exists is solely for the purpose of sewer collection and treatment. He stated there has been work with engineers and Geographic Information System (GIS) for a map, which was initially quite large. He indicated the creation of a sewer district is not easy as 10% of property owners signatures must be collected as well as consents from all owners of parcels more than five (5) acres. Therefore, the proposed boundaries were reduced. Mayor Coletti believes Idaho Falls concerns are around Exit 116 and that surrounding area. He also believes there is only one (1) customer at Exit 116 who should be part of the sewer district. He stated any future customer, with more than five (5) acres, would have to petition to the sewer district to join. Mayor Coletti stated the first map was drawn to acknowledge this customer and there is potential access along the line to the plant. He also stated the area could be drawn differently as long as the customer is part of the district. Mayor Coletti stated the engineers drew two (2) subdistricts in Bingham and three (3) subdistricts in Bonneville, noting the engineers tried to make the subdistricts equal in population. He also stated a vote (50% +1) in May would be to create the sewer district, noting each candidate would have to reside in their subdistrict. He also noted a bond is not connected with the sewer district formation vote in May. Mayor Coletti clarified that as long as he's been a board member a consideration of Idaho Falls has never been in the picture, discussion has occurred regarding the proposed boundaries and if this would be imposing on Idaho Falls. Per Councilor Hally, Mayor Coletti wants to ensure Smith Chevrolet is part of sewer district as this property is already a customer of the sewer plant. Mayor Coletti also stated Smith Chevrolet has not been a topic of discussion with the board, noting they could connect to Idaho Falls. Councilor Radford expressed his concern for the golf course area. Mayor Coletti stated there is a sewer line underground in this area. He also stated a future developer next to EIRWWA could connect to Idaho Falls or EIRWWA. He believes this discussion could be presented in the future. Mayor Coletti reiterated, on behalf of the board, there is no desire to impose on Idaho Falls. Mayor Casper noted the Council was aware of these conversations moving forward. Mayor Coletti also emphasized Ammon has no desire to annex west of Hitt Road at any point. Mayor Casper expressed her concern for other future properties near Smith Chevrolet. Per Mayor Casper, Mayor Coletti stated money has been saved for the expansion although additional money will be needed, individual bonds by individual cities is not affective, there are options to re-finance, and additional American Rescue Plan Act (ARPA) funds could also be used. He also stated he is optimistic to get monies without bonding. He anticipates the expansion to be completed by 2024-2025. He indicated there has not been a lot of opposition as signatures have been collected. Mayor Coletti stated this is super important for Ammon, he is hopeful this would be important for Idaho Falls as well. Per Councilor Freeman, Mayor Coletti stated there are approximately 5,700 unique property owners within the proposed district, therefore, 570 signatures (10%) are required. He also stated a consent for the 5+ acre owners must be signed to be included. He noted the 10% of signatures allows the item to be put on the ballot. Also per Councilor Freeman, Mr. Kirkham confirmed the three (3) City of Idaho Falls parcels are more than five (5) acres, none of these parcels have been consented. Per Mayor Casper, Director Cramer stated Idaho Falls connection fees are substantially less. He believes there's concern if property is included in the district developers would not have the ability to connect to Idaho Falls without the ERIWWA Board approval. Mayor Coletti confirmed that is not the case, the choice remains for the 5+ acres. He also stated a consent must be physically signed to join in. Mr. Kirkham clarified there is a process to withdraw from the sewer district. He explained the three (3) ways to get out if the property is sold. Mayor Coletti noted the sewer district does not have capacity to take on large industrial development. Mr. Fife clarified this is a taxing district per

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Idaho Code as there is the authority to collect taxes once the district is formed. Mayor Coletti acknowledged the correction. Councilor Burtenshaw questioned why Idaho Falls would not seem appealing, referencing capacity issues. Mayor Casper stated the Idaho Falls plant was built with capacity to serve the area. Per Mayor Casper, Director Fredericksen stated approximately 40% of capacity is left. Mayor Casper believes development should pay for development. She questioned if urban renewal fees could be used successfully around Exit 116. Director Cramer stated an urban renewal district could be created which could also pay for public improvements, although he believes the Idaho Falls Redevelopment Agency (IFRdA) Board is reluctant for green infill sites. General comments followed.

### Briefing: Impact Fee Consultant Report:

Mr. Fugal stated city staff has been working with the newly appointed Impact Fee Advisory Committee to receive their feedback and then present the final results and the recommended maximum fees for each of the impact fee categories. He also stated future discussion is anticipated for the November 22 Council Work Session.

Mr. McAweney stated TischlerBise has experience with impact fees and fiscal impact analyses across the State of Idaho. He noted impact fees are widely used throughout the State.

He then presented the following with general discussion throughout:

#### Impact Fee Fundamentals –

- One-time payment for growth-related infrastructure, usually collected at the time buildings permits are issued
- Not a tax, similar to a contractual arrangement to build infrastructure with fee revenue, with three (3) requirements – need (system improvements), benefit (geographic, and timeframe (eight (8) years in the State of Idaho, can be 11 years for extenuating services)), and proportionate

#### Eligible Costs –

- Can be used for facilities/improvements required to serve new development, or excess capacity in existing facilities (growth shares)
- Cannot be used for maintenance and repairs, operating costs, or improvements required to correct existing deficiencies (unless there is a funding plan)
- Decision tree – is an eligible infrastructure category, what degree is the capacity expanding, what degree is capacity growth related

#### Why Impact Fees –

- Infrastructure capacity is essential to accommodate new development
- New growth pays its equitable share
- Encourages disciplined capital improvement planning (earmarks money for capital improvements)
- Promotes comprehensive planning and growth management (helps ensure adequate public facilities)
- Compared to negotiated agreements, streamlines approval process with known costs (predictability)
- Anti-growth pressure can be eased

Mr. McAweney stated one-time revenues should be helping one-time costs, on-going expenditures should be offset by on-going revenues, such as property taxes, etc.

#### Nexus and benefit of revenues –

- Nexus with demand for public facilities versus demand base bearing cost of public facilities (area specific assessment, impact fees, jurisdiction-wide special assessment, utility rates, property tax, sales tax)

#### Myths and Misconceptions –

- Impact fees cover the entire cost of new facilities, negating the need for higher taxes (a “properly” designed fee may come close, credits, Operations and Maintenance (O&M) costs)
- Impact fees should be based on planning standards, without concern for deficiencies
- Nonresidential fees can be “adjusted” for economic reasons

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- All developers/builders hate impact fees

### Impact Fees in Idaho –

- Impact fee revenue must be maintained in an interest-bearing account
- Monies must be spent within eight (8) years from collection
- Community must publish an Annual Monitoring Report and have an Advisory Committee
- Comprehensive review and update every five (5) years
- Eligible for water, wastewater, stormwater, transportation (roads), Parks and Recreation (P&R), and public safety (law enforcement, fire, Emergency Medical Services (EMS)) with useful life of ten (10) years or more

### Impact Fee Study Process –

- Determine existing development base and projected future growth
- Determine existing levels of service and capital needs due to new growth
- Determine appropriate indicators of demand
- Evaluate methodological alternatives
- Evaluate need for credits
- Calculate draft fees
- Review and input from the Advisory Committee
- Adoption process

### Common Impact Fee Methods –

- Cost Recovery (past) – oversized and unique facilities and funds typically used for debt service
- Incremental Expansion (present) – formula-based approach documents level of service with both quantitative and qualitative measures
- Plan-Based (future) – common for utilities but can also be used for other public facilities with non-impact fee funding

Mr. McAweney stated three (3) credits would need to be assessed – site specific (developer constructs a capital facility included in fee calculations), debt service (avoid double payment due to existing or future bonds), and dedicated revenues (e.g., property tax, local option sales tax, gas tax).

Idaho Falls Impact Fee Study – Fee Categories: Parks and Recreation (neighborhood parks, urban/community parks, civic parks, and indoor rec centers); Transportation (arterial capacity improvements); Police (police station and police vehicles); Fire (fire stations, fire vehicles and apparatuses, and training center). Mr. McAweney explained the analysis for each of these categories.

Residential Growth – based on recent growth, Idaho Falls is projecting 3,500 housing units over the next ten (10) years, almost 9,000 new residents (14% increase)

Non-residential Growth – 8,900 new jobs are projected (16% increase), 3.8M square feet of new development

### Impact Fee Study Process –

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Per Councilor Francis, Mr. McAweeney stated there would not be a differential impact fee for a new project versus improvements, such as a fire station. Also per Councilor Francis, Mr. McAweeney stated the bridge and arterial fee is the only fee that would drop out if there were impact fees. Per Mayor Casper, Mr. McAweeney reiterated impact fees must be reviewed every five (5) years. The study will include a rough framework for the Capital Improvement Plan (CIP). Mr. Fife explained the responsibility of the Impact Fee Advisory Committee is to support and review the impact fees. Per Mayor Casper, Mr. Fugal believes this presentation was well received with the Impact Fee Advisory Committee and they were complimentary of the analysis that has been performed.

#### Update: Law Enforcement Complex (LEC):

Mayor Casper stated all design work for the LEC is being handled by in-house expertise versus an outside construction manager or consultant. Director Fredericksen recognized Municipal Services, Building Official Reggie Fuller, and Idaho Falls Police Department (IFPD) Captain Joel Tisdale for their skills and assistance. He also recognized Mr. Canfield as the manager on with this project.

Mr. Canfield reviewed the schedule of the project – Schematic Design completed 4/29/2021, Design Development Accepted on 8/6/2021, 50% CD submittal 10/1/2021, 75% CD Progress Site Plan Permit Submittal 11/19/2021, Building Package Permit Submittal 12/23/2021, Construction Drawings for Bid Advertisement February/March 2022, and Construction 2022 - 2023.

Mr. Canfield reviewed the right-of-way (ROW) vacation process stating N. Emerson Avenue is to be vacated, and there is a recommendation to put in a cul-de-sac south of the project toward May Street to realign the cul-de-sac that would improve utility access and maintain the drive access off the drive isle. He identified the secured access from the drive isle to the facility, public parking, employee parking, the vehicle storage facility, and the historic project area. He also identified a ROW for the water and sewer main that would be maintained.

Mr. Canfield stated a Memorandum of Agreement (MOA) has been submitted to the State Historic Preservation Office (SHPO) which will be forthcoming for ratification. He also stated a concrete walkway was established in the MOA that would begin at the north end to the south end of project, noting the walkway is in combination for the planned landscape in the northeast corner of the site. He also noted the city has five (5) years to complete this walkway. Brief discussion followed regarding the walkway grade, the historical preservation review, the environmental process, and mitigation. Mr. Fife believes there were two (2) processes, one (1) being a contractual agreement with the family recognizing the historic nature and the other as a governmental interest/conditions imposed from the State recognizing the historical value. Additional discussion followed including the cross walks along Northgate Mile.

Mr. Canfield stated discussion has occurred regarding charging station for electric vehicle hook ups, however, the budget is not currently set up for charging stages. He indicated infrastructure conduit will be provided to allow future implementation. He also stated there is potential to work with Idaho Falls Power (IFP) for Level 2 charging systems versus a supercharger. This Level 2 system was recommended by the IFPD. Councilor Radford believes this would be one of the safest places to charge an electric vehicle. Mayor Casper indicated electric vehicles will be discussed at the November 10 IFP Board Meeting.

Mr. Canfield reviewed the project:

‘Hard Costs’ –

Building & Site Construction (DD 9-13, includes 7% Design Contingency) = \$23,493,384

Add Alternate = \$13,596

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Off Site Utilities/Fiber = \$65,000  
Total Construction = \$23,571,980  
Escalation (1 year at 4%) = \$942,879  
Total hard costs = \$24,514,859

'Soft Costs' = \$4,224,356  
Owner's project contingency (construction) 5% = \$1,225,743  
Total project cost = \$29,964,958

Mr. Canfield reminded the Council that the total budget is \$30M. He stated adjustments are made as necessary, noting there is a potential change in the vehicle storage building. Per Councilor Freeman, Mr. Canfield confirmed demolition of the old structure is included in the Hard Costs. Per Mayor Casper, Director Fredericksen noted the heat system will be electric per previous Council discussion, which slightly increased the cost. Mr. Canfield indicated the Architects Design Group is working with IFP on actual costs. Director Fredericksen stated there are current supply issues, noting the bidding plan is expected to change dramatically although he believes the city is in a good situation. Mayor Casper noted costs could have been higher if the project had been delayed for bonding. Discussion followed regarding any cuts, contracts, and the \$30M budget.

#### Calendars, Announcements, Reports, and Updates:

Mayor Casper announced her Executive Assistant will be out of the office for an undetermined time due to medical leave.

November 9, Chamber of Commerce Distinguished Under 40 Luncheon (two (2) city honorees)

November 15, Association of Idaho Cities (AIC) Fall Academy

November 30, Fluor End-of-Contract Reception

December 10, City Club featuring Idaho National Laboratory (INL) Director John Wagner

December 14, Eastern Idaho Water Rights Coalition (EIWRC) featuring Congressman Mike Simpson

Mayor Casper stated discussion regarding the calendar for the upcoming year will be forthcoming. She requested any Council changes for the new year be submitted to her. Mayor Casper also noted an American Public Power Association (APPA) seminar on hydrogen is forthcoming.

#### Liaison Reports and Councilmember Concerns:

Councilor Hally stated the Fire Association is working on legislation through Medicaid that could affect the Ambulance Fund.

Councilor Burtenshaw stated Imagine IF was recently presented to the P&R Commission. She also stated the trail in Heritage Park may not be completed before year end pending weather.

Councilor Radford stated there are billions of dollars for city trees available in the infrastructure bill at a 50/50 match. He indicated a beetle coming from the east coast has devastated Ash trees. He noted 80% of trees in Tautphaus Park and 90% of trees in Stonebrook are Ash trees. He believes these trees may be dead in 10-15 years. Mayor Casper believes the water supply for trees also needs to be considered. Councilor Radford also stated a Policymakers Council call will be held November 9 which he believes will include discussion on the infrastructure bill, and the subdivision code is being reviewed.

Councilor Francis stated, per the Library, the Library Board is in discussion regarding the county contract renewal, noting the current contract expires October 2022, and the Sister Cities display cases are in place. Councilor Francis stated the E911 work group is still working. Councilor Francis stated, per P&R, the Aquatic Center is currently closed for the dehumidification project, the zoo will continue to be open on weekends pending weather, the War Bonnet

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Round Up received third place in the Justin Boot Footing, holiday lights are being placed on the trees, and there will be a holiday presentation on the falls. Councilor Francis stated the Hispanic Business Group recently held a gathering featuring Mayor Casper as a speaker.

Councilor Freeman stated revenues have increased at all golf courses by approximately \$500,000, noting discussion has occurred using these revenues to pay off the irrigation loan. He also stated Sand Creek is due for an irrigation system. Councilor Freeman stated the concrete has been poured in the E Street underpass, he is hopeful the underpass will be open soon. He expressed his gratitude to the Mayor and those Councilors who were recently re-elected to office.

#### Discussion: Final Revisions to City Code, Title 2:

Mayor Casper stated this revision has been ongoing for approximately two (2) years. She noted this item has been included on the November 10 City Council Meeting agenda although she indicated Mr. Fife has instead requested the item be included on the November 23 City Council Meeting agenda. Mr. Fife believes changes may have occurred within some committees, commissions and boards that may not be in sync with city requirements. He noted these committees, commissions and boards have similar features although they cannot be the same as State Code. Mr. Fife stated the proposed ordinance will discontinue the Youth Advisory Council (has not functioned for several years), the Traffic Safety Committee (this is an internal committee), the City Safety Committee (has not functioned for several years), and the Beautification Commission. He also stated unnecessary chapters will be eliminated to prevent confusion. He noted there are other minor changes to Sister Cities and the War Bonnet Round Up. Mr. Fife believes all committees, commissions and boards have weighed in. He stated he recently received language to further assist with language and clarification. Mr. Fife believes staff should be able to meet together without this being considered a public committee. Discussion followed regarding public involvement/requests, the Parking Committee (Director Alexander confirmed the Parking Committee was an internal committee), ad hoc staff committees, the Manual on Uniform Traffic Control Devices (MUTCD), a liaison to the school district, the number of Planning and Zoning Commission members (Mr. Fife indicated Director Cramer's recommendation is for nine (9) members), and non-voting members for the Planning and Zoning Commission (Mr. Fife stated there are currently no non-voting members), ex-officio members, the Impact Fee Advisory Committee's point of contact, and all public meetings being open to the public. Per Councilor Burtenshaw, Mr. Fife stated the entire P&R chapter is not included in this ordinance as the P&R-related committees and commissions were recently amended. He also stated this ordinance was meant to organize and manage the basics. Following additional discussion, Mr. Fife does not believe it's appropriate for any staff member to be on a committee, commission, or board, and they cannot vote to set policy. He also believes there should be a mechanism to address committee members who do not attend/participate.

It was then moved by Councilor Francis, seconded by Councilor Freeman, to move into Executive Session (at 6:30 p.m.). The Executive Session is being called pursuant to the provisions of Idaho Code Section 74-206(1)(a) to consider hiring a public officer, employee, staff member or individual agent (does not apply to filling a vacancy in an elective office or deliberations about staffing needs in general). At the conclusion of the Executive Session the Council will not reconvene into Council Work Session. Roll call as follows: Aye – Councilors Hally, Burtenshaw, Freeman, Francis, Radford. Nay – none. Motion carried.

The City Council of the City of Idaho Falls met in Executive Session, Monday, November 8, 2021 in the City Annex Conference Room in the City Annex Building located at 680 Park Avenue in Idaho Falls, Idaho at 6:39 p.m.

There were present:

Mayor Rebecca L. Noah Casper

Councilor Jim Francis

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Councilor John Radford  
Councilor Jim Freeman  
Councilor Thomas Hally  
Councilor Lisa Burtenshaw

Also present:

Rick Cloutier, Airport Director  
Pamela Alexander, Municipal Services Director  
Randy Fife, City Attorney

The Executive Session was called pursuant to the provisions of Idaho Code Section 74-206(1)(a) to consider hiring a public officer, employee, staff member or individual agent (does not apply to filling a vacancy in an elective office or deliberations about staffing needs in general).

There being no further business, the meeting adjourned at 7:31 p.m.

s/ Kathy Hampton

Kathy Hampton, City Clerk

s/ Rebecca L. Noah Casper

Rebecca L. Noah Casper, Mayor